

State of Utah

Department of Natural Resources

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Division of Oil, Gas & Mining

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Lieutenant Governor

December 7, 2004

CERTIFIED RETURN RECEIPT 7099 3400 0016 8896 1775

Michael Pauletto
I&P Investments, LLC
10517 N.E. 50th Avenue
Vancouver, Washington 98686

Subject: Second Review of Notice of Intention to Commence Large Mining
Operations, I&P Investments, LLC, Green Peak Quarry, M/003/060, Box
Elder County, Utah

Dear Mr. Pauletto:

The Division has completed a review of your draft response to the Division's initial technical review sent to you on September 15, 2004 for the Green Peak Quarry, located in Box Elder County, Utah. Your response was received November 2, 2004. After reviewing the information, the Division has the following comments which still need to be addressed before tentative approval may be granted.

The comments are listed below under the applicable Minerals Rule heading. Please format your response in a similar fashion. Please address only those items requested in the attached technical review. Please send replacement pages of the original notice using redline and strikeout text, so we can see what changes have been made. After the notice is determined technically complete and we are prepared to issue final approval, we will ask that you send us two clean copies of the complete and corrected plan. Upon final approval of the permit, we will return one copy stamped "approved" for your records. Please provide a response to this review by January 3, 2005.

The Division will suspend further review of the Green Peak Quarry Notice of Intention until your response to this letter is received. If you have any questions in this regard please contact me, Lynn Kunzler, Tom Munson, or Doug Jensen of



Michael Pauletto Page 2 of 6 M/003/060 December 7, 2004

the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

2. Haddock

DRH:LMK:jb

Attachment: Review

Michael Nelson, BLM Cindy Emmons

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SECOND REVIEW OF NOTICE OF INTENTION TO COMMENCE LARGE MINING OPERATIONS

I&P Investments, LLC. Green Peak Quarry

M/003/060 December 7, 2004

R647-4-106 - Operation Plan

106.5 Existing soil types, location, amount

The soil survey information provided does not provide the detailed analysis that the Division requested. This information is needed to evaluate and determine what types and rates of amendments that may be needed to re-establish an effective vegetation community. About all that can be assumed from the data is that there is not a salt problem and that the soil is very low in organic matter. Please provide plans to obtain the requested data. (LK)

Your proposal to use straw or hay to improve organic matter is not likely to make a significant improvement in the % organic matter. Please change your plans to use composted manure at a rate of 10 ton/acre. This is expected to increase the organic matter to an acceptable level. (LK)

106.6 Plan for protecting & redepositing soils

Using western wheatgrass alone to stabilize and protect growth media stockpiles is not adequate. Please consider adding intermediate wheatgrass (at 3 lbs/ac) and 'ladak' alfalfa or yellow sweet clover (at 0.3 lbs./acre). (LK)

106.7 Existing vegetation - species and amount

The vegetation information provided in the soil survey data is not adequate. This is 'frequency' data, not 'ground cover' data. Since the neighboring Rosebud Quarry (Star Stone Quarries, Inc.) is mostly with the same soil type as your operation, it is expected that the vegetation ground cover would be about the same. Their vegetation survey resulted in 33% ground cover. For now, the Division will use this figure for analysis. Since it is too late in the season to collect accurate vegetation data, this will need to be verified next field season. (LK)

R647-4-107 - Operation Practices

107.1 Public safety & welfare

107.1.14 Posting warning signs

The plan states blasting will be conducted on an infrequent basis. Warning signs should be posted informing the public of this fact and the protocol that will be followed when blasting does occur at the site. (DJ)

107.3 Erosion control & sediment control

The response to our last review included the following comment or concern which was not

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Green Peak Quarry
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addressed, please address this item. The access road drainage will drain to natural drainages that do not exist, according to the map. If culverts are needed or cross drains with riprap protection are to be installed please provide the locations and designs. (TM)

107.5 Suitable soils removed & stored

The plan states very little growth medium is available at the site; therefore, the top six inches of material over the quarry site will be stockpiled. The predicted amount of material to be stockpiled is 400 yards. Six inches of material over three acres should result in 2420 cy of material being placed in the stockpile. Why wasn't this six inches of growth medium harvested from the first two acres of quarry? If the growth medium wasn't harvested during the initial mining, a substitute material will need to be found to replace this resource. (DJ)

Soils from the initial stripping and road building are scheduled to be placed in a stockpile. Please show the location of this stockpile on the reclamation treatments map. (DJ)

107.6 Concurrent reclamation

Please provide plans to seed the road cut and fill areas upon completion of road construction. (LK)

R647-4-110 - Reclamation Plan

110.2 Roads, highwalls, slopes, drainages, pits, etc., reclaimed

The plan states waste rock remaining above the level of the quarry walls will be contoured. Please estimate the total amount of area which would require this contouring and state the final slope angle of these walls. (DJ)

Please state in the plan the ground preparation procedures that will take place in the quarry areas prior to seeding. (DJ)

The mine haul road will be recontoured using a trackhoe. These areas should be left in a roughened condition to enhance the water harvesting (gouging is the preferred method of roughening with a trackhoe). (DJ)

After the waste dump is recontoured and growth medium is placed, the area should be ripped on contour prior to seeding. (DJ)

A proposal is made that ~4000 cy of material will be left at the millsite as a resource for rock hounds. In recent conversations with the BLM, they indicated that this proposal was not acceptable to them. However, they would allow approximately 100 cu. yds. of rock to remain on the existing millsite area. This would be in the form of a berm approximately 4 feet high along the immigrant trail road. This material should be screened prior to placing in the berm so that fines and small (gravel) fragments are not part of the berm. This would

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serve a dual purpose in providing materials for rock hounds, as well as adding protection to the 'reclaimed' millsite area. Please incorporate these figures into your plan. (LK)

This material can be left at the millsite during the reclamation of the site, but as a part of the final closure of the quarry the material will need to be moved back to the quarry. Because this amount of material is estimated to accumulate at the millsite, the surety should contain a line item for the removal of this mining waste. (DJ)

Fines from the screening product are proposed to be used as a growth medium at the millsite. Tests will need to be run on this material to determine the suitability for growth medium. The surety should contain a line item for amending this material until test results indicate that amendment is not necessary. (DJ)

The millsite will need to be ripped to a minimum depth of 2 feet to remove compaction before seeding. (DJ)

110.5 Revegetation planting program

As stated previously, leaving 4000 cu. yds. of waste material at the millsite without reclamation is not acceptable. Please plan to return the waste material to the quarry area, or to be added to the new waste pile. (LK)

The use of straw and/or hay is not appropriate for increasing the organic content of the growth media. Please plan to use 10 ton/acre of composted manure or biosolids. (LK)

R647-4-111 - Reclamation Practices

111.3 Erosion & sediment control

Please provide a seeding plan to revegetate the cut and fill slopes along the haul/access road. (LK)

R647-4-113 - Surety

After the quarry area has been regraded, ripping on contour is suggested before selectively placing growth medium. The line items for ripping and regrading the road are not necessary. The plan states that the road will be recontoured with a trackhoe. The cost to regrade roads utilizing a trackhoe is \$1.25/lf. At a minimum, all the side cast portion of the road will need to be recontoured utilizing the trackhoe. (DJ)

A line item of 4 hours is shown for the moving of the rock-hound pile. Moving 4000 cy of material up the hill in 4 hours would require that 16.7 cy/minute would have to occur. Considering the loading and driving time required to access the pit, this would not seem to be sufficient time to accomplish this task. Removal of this material will also require the use of a loader. The use of a truck and loader to be used to move material is shown on our spreadsheet as \$2.65/cy. (DJ)

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Line items for mulching should be \$350/acre and broadcast seeding is \$240/acre Mobilization/demobilization should be \$2000/unit. The plan calls for a truck, loader, dozer and a trackhoe. (DJ)

The plan states 4 eight-inch culverts will be placed in the road. Removal of these culverts should be included in the surety estimate. (DJ)

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